

Opportunities for Success Act of 2022

Introduced by: Congresswoman Suzanne Bonamici and Congressman Derek Kilmer

The rising cost of higher education means fewer students – especially those from low-income families – can gain the education and skills necessary to succeed and reach for a better future. The Federal Work-Study (FWS) Program was created in 1964 to improve educational opportunities and outcomes for low-income students by helping them afford and work their way through college. Today, FWS provides part-time employment for 600,000 students with financial need at more than 3,000 colleges and universities. Although the program continues to help students cover college costs and gain work experience, it reaches too few low-income students and largely provides job opportunities that are unaligned with students' career goals and academic programs.

The Challenge: Helping Low-Income Students Succeed in the 21st Century Economy

Despite some progress over the last few decades, low-income students still face countless financial barriers to entering and completing college. Unmet financial need – even among students benefiting from other federal grants and loans – continues to make college unaffordable and inaccessible. FWS can be a valuable tool to help low-income students progress to graduation and secure meaningful employment, but the current structure of the program fails to distribute federal dollars to the neediest students. In the lowest parent income quartile, 9 percent of students received FWS in 2015-16; among students coming from households making over \$100,000 per year, a similar share – 7 percent – received FWS funding. At the same time, program requirements do not focus on connecting students with jobs that align with their career goals. The 2016 National Postsecondary Student Aid Study on FWS revealed that among all institutions, an average of just 32 percent of FWS students worked in jobs related to their coursework.

The Solution: Modernizing the Federal Work-Study Program

The federal government must update the Federal Work-Study Program to provide low-income students with a more affordable higher education and valuable work experience. The ***Opportunities for Success Act*** would improve FWS by:

- **Investing in low-income students** and increasing funding for FWS to \$2.5 billion over five years.
- **Reforming the FWS formula** and revising the distribution formula to allocate FWS funds based on the total Pell Grant funding an institution receives relative to other participating institutions as well as their share of total need for undergraduate and graduate students across all institutions.
- **Targeting FWS to low-income students** by rewarding institutions that enroll and graduate high numbers of Pell Grant students.
- **Promoting career readiness** by providing additional funding for Job Location and Development programs and requiring institutions to prioritize placing low-income students and FWS students in work-based learning positions.
- **Improving access to career-related work experience** by allowing students to earn FWS wages during periods of non-enrollment and requiring institutions to use at least 7 percent of FWS funds for work-based learning opportunities.
- **Creating pathways from education to work** by authorizing a \$30 million dollar work-based pilot program to help connect low-income students with high-quality internships.
- **Enhancing student success** by directing the Department of Education to survey FWS and report to Congress to inform further program improvements.